



Members of the House Health and Human Services Committee:

March 16, 2008

Re.: Continuity of care important for children

Dear Committee Members:

With more and more families losing health coverage through lost jobs, Colorado must ensure that our most vulnerable children and families are cared for.

Just being eligible for Medicaid does not mean families and children are actually enrolled. In fact, more than 78,000 children are currently eligible but not enrolled in Medicaid or its partner program, the Child Health Plan Plus, CHP+, which covers children in the next income tier. One of the most common reasons that eligible families cease to be enrolled is due simply to failing to keep ahead of the cumbersome re-enrollment process.

“Continuous eligibility” – where children are able to stay enrolled in Medicaid for a period of 12 months - like coverage by most private insurance policies - has long been a policy recommendation from child health advocates and health care researchers across the country and here in our state as well. According to the research, Colorado data show that Medicaid recipients average 8.6 months of enrollment. Kids move on and off the program with changes in their family’s income, causing some kids to cycle between Medicaid, CHP+, and being uninsured for parts of the year. This is costly not only to families and children, but to health care systems as well.

According to the Annie E. Casey Foundation, Colorado ranks low - 43rd in the nation, in fact - when it comes to insuring children. Even worse, we are dead last in the nation at insuring *poor* children. There are many things we could do to improve our processes, but the easiest one is this: once kids are enrolled, keep them enrolled.

Kids can “fall off” Medicaid for a number of reasons. For example, even a slight increase in a family’s income from January to February means a child could become ineligible only a few months after they get enrolled. Even if their income drops again in March, they’ve already been disenrolled and must reapply. For many families with unsteady work, the population most in need of Medicaid, income could fluctuate each and every month. There is no guarantee that when a Medicaid child shows up at his doctor’s office, her Medicaid card would be valid.

Families who experience gaps in insurance coverage suffer from many of the same bad health outcomes as those without coverage. For example, the more times that a child goes on and off insurance, the more likely they are to go without needed care or medications. The end result is



more kids in an emergency room receiving more expensive care. These inefficiencies lead to ineffective care that ultimately costs us even more money.

In addition to the challenges facing families that go in between coverage and no coverage, doctors, too, are reluctant to accept new Medicaid children. In part, that is because there's no guarantee that once they invest the initial services it takes to get a previously uninsured child up to date on shots, exams and screenings, that child would ever come back.

The good news is there are signs we are moving toward an improved system. House Bill 1293, the Colorado Health Care Affordability Act, addresses this issue by creating this type of continuity of care through extending the assurance of coverage for Medicaid enrollees to 12 months. This proposal also addresses a needed increase in coverage for kids beyond its current levels and for all parents and childless adults living below the poverty level. For kids in families for whom health insurance is unaffordable, this is an important and necessary lifeline.

We encourage you to support this bill.

Sincerely,

All Kids Covered Leadership Team

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List of Members of All Kids Covered

AARP
Autism Society of Colorado
Colorado Access
Colorado Association for School-Based Health Care
Colorado Center on Law and Policy
Colorado Children's Campaign
Colorado Children's Healthcare Access Program
Colorado Coalition for the Medically Underserved
Colorado Community Health Network
Colorado Consumer Health Initiative
Colorado Covering Kids and Families
Colorado Medical Society
Colorado Voices for Coverage
Colorado Association of School Nurses
Denver Area Labor Federation
Every Child Matters Colorado
Exempla Saint Joseph Hospital
FRESC: Good Jobs, Strong Communities
Kaiser Permanente Colorado
Mental Health America of Colorado
Metro Organizations for People
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North Colorado Health Alliance
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Rocky Mountain Youth Clinics
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St. Therese MOP
Tennyson Center for Children
The Business Health Forum
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